GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:3301
ANSWERED ON:10.12.2002
NON-COMPLIANCE OF COAL SUPPLY AGREEMENT BY INDEPENDENT POWER PRODUCERS
SUBODH MOHITE

Will the Minister of COAL AND MINES be pleased to state:

(a) whether it is a fact that Coal India Ltd. and its subsidiaries are in the lurch due to the non-compliance of coal supply agreement by the independent power producers;

(b) if so, the facts thereof;

(c) the details of coal supply agreement signed by IPPs for supply of power-grade non-coking coal with CIL;

(d) the arrangements made by the Coal India Ltd. to fulfil the agreement; and

(e) the measures taken by CIL for utilization of the surplus coal?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COAL & MINES AND MINISTER OF STATE IN THE MINISTRY OF LAW JUSTICE (SHRI RAVI SHANKAR PRASAD)

(a) (b)&(c) No, Sir. Only three IPPs viz.,Bina Power Supply Company Limited, Daewoo Power India Limited and Hinduja National Power Corporation Limited signed the Fuel Supply Agreements with coal companies of CIL .However, all the three FSAs became inoperative because of the failure of the above IPPs to achieve financial closure and finally were terminated.

(d) Does not arise.

(e) Coal linkages have been given to other new power houses and industries. No surplus coal is available.